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October 13, 1999

VIA HAND DELIVERY

Ms. Magalie Roman Salas
Office of the Secretary
Federal Communications Commission
445 12th Street, S.W.
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Washington, D.C. 20554

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OCT 1 3 1999

PEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: Notification of Ex Parte Contact in IB Docket No. 98-172

Dear Ms. Salas:

On October 12, 1999, Joe Sandri and Arne Jerfsten of WinStar Communications, Inc., along with Jack Richards and RandyYoung of Keller and Heckman, met with Bruce Franca, Julius Knapp, Fred Thomas, Geraldine Matise, Thomas Derenge, and Sean White of the FCC's Office of Engineering and Technology. The purpose of the meeting was to discuss matters pertaining to the relocation of Fixed Service licensees in the 18 GHz band, the substance of which is covered in comments Winstar previously filed in the proceeding. A written presentation which summarizes the points we discussed is attached.

Pursuant to section 1.1206 of the Commission's rules, two copies of this letter have been filed with your office. Please contact me with any questions.

Sincerely.

Jack Richards

Jack Milme

Enclosure

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WinStar Communications, Inc. Ex Parte Meeting with FCC 18 GHz Proceeding (IB Docket No. 98-172) October 12, 1999

Talking Points

Overview of WinStar's competitive services and operations.

WinStar is different from most other FS commenters in that 18 GHz spectrum is used to provide competitive and advanced telecommunications services, not for private internal use.

WinStar is similar to many new satellite services in that it is providing alternatives to LECs, and is rapidly deploying advanced telecommunications services, increasingly in outlying suburban areas and office parks/campuses. However, the FCC should not favor *means of delivery* of competitive and advanced services by satellite to the detriment of terrestrial; rather, both must be accommodated.

Principles adopted in the *Emerging Technology* and *Cost Sharing* proceedings provide an appropriate model for 18 GHz relocation, including voluntary/mandatory negotiation periods, and payment for necessary and reasonable expenses for relocation to comparable facilities. Prior relocation procedures worked well for all — incumbents, new entrants and the Commission.

Commission should reject suggestions that relocation payments be based on depreciated equipment values plus 2% of hard costs for engineering and installation; rather, replacement cost should be basis for compensation.

The Commission should identify a relocation band that offers similar characteristics to the 18 GHz band and comparable thruput. Where relocation spectrum is made available is not critical; rather, the Commission should designate sufficient, exclusive relocation spectrum for the FS. Spectrum in the millimeter wave band (above 17 GHz) is preferable.

Sunset for relocation should not begin to run until unencumbered spectrum is identified, and an equitable cost reimbursement scheme is developed.